

GAO

Testimony

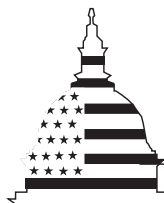
Before the Armed Services Committee
House of Representatives

For Release on Delivery
Expected at 11:00 a.m. EST
Thursday, February 14, 2008

MILITARY READINESS

Impact of Current Operations and Actions Needed to Rebuild Readiness of U.S. Ground Forces

Statement of Sharon L. Pickup, Director
Defense Capabilities and Management



G A O

Accountability * Integrity * Reliability

| Report Documentation Page | | | | Form Approved OMB No. 0704-0188 | |
|--|------------------------------------|-------------------------------------|---|---|---------------------------------|
| Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. | | | | | |
| 1. REPORT DATE 14 FEB 2008 | | 2. REPORT TYPE | | 3. DATES COVERED 00-00-2008 to 00-00-2008 | |
| 4. TITLE AND SUBTITLE Military Readiness. Impact of Current Operations and Actions Needed to Rebuild Readiness of U.S. Ground Forces | | | | 5a. CONTRACT NUMBER | |
| | | | | 5b. GRANT NUMBER | |
| | | | | 5c. PROGRAM ELEMENT NUMBER | |
| 6. AUTHOR(S) | | | | 5d. PROJECT NUMBER | |
| | | | | 5e. TASK NUMBER | |
| | | | | 5f. WORK UNIT NUMBER | |
| 7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) U.S. Government Accountability Office, 441 G Street NW, Washington, DC, 20548 | | | | 8. PERFORMING ORGANIZATION REPORT NUMBER | |
| 9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES) | | | | 10. SPONSOR/MONITOR'S ACRONYM(S) | |
| | | | | 11. SPONSOR/MONITOR'S REPORT NUMBER(S) | |
| 12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited | | | | | |
| 13. SUPPLEMENTARY NOTES | | | | | |
| 14. ABSTRACT | | | | | |
| 15. SUBJECT TERMS | | | | | |
| 16. SECURITY CLASSIFICATION OF: | | | 17. LIMITATION OF ABSTRACT Same as Report (SAR) | 18. NUMBER OF PAGES 17 | 19a. NAME OF RESPONSIBLE PERSON |
| a. REPORT unclassified | b. ABSTRACT unclassified | c. THIS PAGE unclassified | | | |



Highlights of [GAO-08-497T](#), a testimony before the Armed Services Committee, House of Representatives

Why GAO Did This Study

U.S. military forces, and ground forces in particular, have operated at a high pace since the attacks of September 11, 2001, including to support ongoing operations in Iraq and Afghanistan. Between 2001 and July 2007, approximately 931,000 U.S. Army and Marine Corps servicemembers deployed for overseas military operations, including about 312,000 National Guard or Reserve members.

To support ongoing military operations and related activities, Congress has appropriated billions of dollars since 2001, and through September 2007, the Department of Defense (DOD) has reported obligating about \$492.2 billion to cover these expenses, of which a large portion are related to readiness. In addition, DOD's annual appropriation, now totaling about \$480 billion for fiscal year 2008, includes funds to cover readiness needs.

GAO was asked to testify on (1) the readiness implications of DOD's efforts to support ongoing operations; and (2) GAO's prior recommendations related to these issues, including specific actions that GAO believes would enhance DOD's ability to manage and improve readiness.

This statement is based on reports and testimonies published from fiscal years 2003 through 2008. GAO's work was conducted in accordance with generally accepted government auditing standards.

To view the full product click on [GAO-08-497T](#). For more information, contact Sharon L. Pickup, 202-512-9619, pickups@gao.gov.

MILITARY READINESS

Impact of Current Operations and Actions Needed to Rebuild Readiness of U.S. Ground Forces

What GAO Found

While DOD has overcome difficult challenges in maintaining a high pace of operations over the past 6 years and U.S. forces have gained considerable combat experience, our work has shown that extended operations in Iraq and elsewhere have had significant consequences for military readiness, particularly with regard to the Army and Marine Corps. To meet mission requirements specific to Iraq and Afghanistan, the department has taken steps to increase the availability of personnel and equipment for deploying units, and to refocus their training on assigned missions. For example, to maintain force levels in theater, DOD has increased the length of deployments and frequency of mobilizations, but it is unclear whether these adjustments will affect recruiting and retention. The Army and Marine Corps have also transferred equipment from nondeploying units and prepositioned stocks to support deploying units, affecting the availability of items for nondeployed units to meet other demands. In addition, they have refocused training such that units train extensively for counterinsurgency missions, with little time available to train for a fuller range of missions. Finally, DOD has adopted strategies, such as relying more on Navy and Air Force personnel and contractors to perform some tasks formerly handled by Army or Marine Corps personnel. If current operations continue at the present level of intensity, DOD could face difficulty in balancing these commitments with the need to rebuild and maintain readiness.

Over the past several years, GAO has reported on a range of issues related to military readiness and made numerous recommendations to enhance DOD's ability to manage and improve readiness. Given the change in the security environment since September 11, 2001, and demands on U.S. military forces in Iraq and Afghanistan, rebuilding readiness will be a long-term and complex effort. However, GAO believes DOD can take measures that will advance progress in both the short and long terms. A common theme is the need for DOD to take a more strategic decision-making approach to ensure programs and investments are based on plans with measurable goals, validated requirements, prioritized resource needs, and performance measures to gauge progress. Overall, GAO recommended that DOD develop a near-term plan for improving the readiness of ground forces that, among other things, establishes specific goals for improving unit readiness, prioritizes actions needed to achieve those goals, and outlines an investment strategy to clearly link resource needs and funding requests. GAO also made recommendations in several specific readiness-related areas, including that DOD develop equipping strategies to target shortages of items required to equip units preparing for deployment, and DOD adjust its training strategies to include a plan to support full-spectrum training. DOD agreed with some recommendations, but has yet to fully implement them. For others, particularly when GAO recommended that DOD develop more robust plans linked to resources, DOD believed its current efforts were sufficient. GAO continues to believe such plans are needed.

Mr. Chairman and Members of the Committee:

I am pleased to be here today to discuss issues related to military readiness in light of the high pace of military operations since the attacks of September 11, 2001, and, in particular, the significant demand on U.S. forces to support ongoing operations in Iraq and Afghanistan. For the last 7 years, the Department of Defense (DOD) has supported a wide range of operations and activities in support of the administration's strategy to combat terrorism on a global basis, requiring many units and personnel to deploy for multiple tours of duty, and in some cases to remain for extended tours. As a result, the military now has a ground force that has gained considerable experience and is battle-tested but also stressed by the current pace of operations. As of July 2007, approximately 931,000 U.S. Army and Marine Corps servicemembers had deployed for overseas military operations since 2001, including about 312,000 National Guard or Reserve members.

In the past several months, DOD's senior leaders have publicly expressed concerns about the high demands on U.S. forces and the impact on military readiness, particularly for ground forces. While testifying last week that our military is capable of responding to all threats to our vital national interests, the Chairman of the Joint Chiefs of Staff expressed concern about the toll of the current pace of operations. Congress, and this committee in particular, has also voiced concerns and taken specific actions to give greater attention to readiness, including establishing a Defense Material Readiness Board to identify equipment and supply shortfalls and solutions for addressing them, and requiring DOD to develop a plan for rebuilding readiness. Further, it has also provided unprecedented levels of taxpayer money in response to the department's funding requests, which have consistently emphasized the need for resources to maintain readiness. More specifically, to support ongoing military operations and related activities, Congress has appropriated hundreds of billions of dollars since 2001, and through September 2007, DOD has reported obligating about \$492.2 billion to cover these expenses. In addition, DOD also has received its annual appropriation, which totals about \$480 billion for fiscal year 2008.

As you requested, my testimony will focus on the impact of current operations and the challenges DOD faces in rebuilding readiness, particularly for ground forces. Specifically, I will address (1) the readiness implications of DOD's efforts to support ongoing operations; and 2) GAO's prior recommendations related to these issues, including specific actions

we believe would enhance DOD's ability to manage and improve readiness.

My statement is based on reports and testimonies published from fiscal years 2003 through 2008. These reports are listed at the end of this testimony and include reviews of mobilization policies, DOD's equipping and reset strategies, prepositioned equipment, military training, and the use of contractors, as well as general reports on readiness and Iraq. We conducted our work in accordance with generally accepted government auditing standards.

Summary

While DOD has overcome difficult challenges in maintaining a high pace of operations over the past 6 years and U.S. forces have gained considerable combat experience, our work has shown that extended operations in Iraq and elsewhere have had significant consequences for military readiness, particularly with regard to the Army and Marine Corps. To meet mission requirements specific to Iraq and Afghanistan, the department has taken steps to increase the availability of personnel and equipment for deploying units, and to refocus their training on assigned missions. For example, to maintain force levels in theater, DOD has increased the length of deployments and frequency of mobilizations, but it is unclear whether these adjustments will affect recruiting and retention. The Army and Marine Corps have also transferred equipment from nondeploying units and prepositioned stocks to support deploying units, affecting the availability of items for nondeployed units to meet other demands. In addition, they have refocused training such that units train extensively for counterinsurgency missions, with little time available to train for a fuller range of missions. Finally, DOD has adopted strategies, such as relying more on Navy and Air Force personnel and contractors to perform some tasks formerly handled by Army or Marine Corps personnel. If current operations continue at the present level of intensity, DOD could face difficulty in balancing these commitments with the need to rebuild and maintain readiness.

Over the past several years, we have reported and testified on a range of issues related to military readiness and made multiple recommendations aimed at enhancing DOD's ability to manage and improve readiness. Given the change in the security environment since September 11, 2001, and related increases in demands on our military forces as well as the high level of commitment to ongoing operations, rebuilding readiness of U.S. ground forces is a long-term prospect. In addition, the department faces competing demands for resources given other broad-based initiatives to

grow, modernize, and transform its forces, and therefore will need to carefully validate needs and assess trade-offs. While there are no quick fixes to these issues, the department has measures it can take that will advance progress in both the short and long term. A common theme in our work has been the need for DOD to take a strategic approach to decision making that promotes transparency, and ensures that programs and investments are based on sound plans with measurable goals, validated requirements, prioritized resource needs, and performance measures to gauge progress. Overall, we have recommended that DOD develop a near-term plan for improving the readiness of the ground forces that, among other things, establishes specific goals for improving unit readiness, prioritizes actions needed to achieve those goals, and outlines an investment strategy to clearly link resource needs and DOD's funding requests. We have also recommended actions in each of the specific areas I will be discussing today. DOD agreed with some recommendations, but has yet to fully implement them. For others, particularly when we recommended that DOD develop more robust plans linked to resources, DOD believed its current efforts were sufficient. We continue to believe such plans are needed.

Ongoing Operations Have Challenged DOD's Ability to Sustain Readiness of Ground Forces, Particularly for Nondeployed Forces

To meet the challenges of ongoing operations in Iraq and Afghanistan, DOD has taken steps to increase the availability of personnel and equipment for units deploying to Iraq and Afghanistan, particularly with regard to the Army and Marine Corps. Among other things, DOD has adjusted rotation goals, and employed strategies such as to retrain units to perform missions other than those they were designed to perform. It has also transferred equipment from nondeployed units and prepositioned stocks to support deployed units. The Army and Marine Corps have refocused training to prepare deploying units for counterinsurgency missions. DOD has also relied more on Navy and Air Force personnel and contractors to help perform tasks normally handled by Army or Marine Corps personnel. Using these measures, DOD has been able to continue to support ongoing operations, but not without consequences for readiness. In the short term, ground forces are limited in their ability to train for other missions and nondeployed forces are experiencing shortages of resources. The long-term implications of DOD's actions, such as the impact of increasing deployment times on recruiting and retention, are unclear.

DOD Has Adjusted Policies to Increase Availability of Personnel, but Long-Term Implications Are Unclear

For the past several years, DOD has continually rotated forces in and out of Iraq and Afghanistan to maintain required force levels. While DOD's goals generally call for active component personnel to be deployed for 1 of every 3 years and reserve component personnel involuntarily mobilized 1 of 6 years, many have been mobilized and deployed more frequently. Additionally, ongoing operations have created particularly high demand for certain ranks and occupational specialties. For example, officers and senior noncommissioned officers are in particularly high demand due to increased requirements within deployed headquarters organizations and new requirements for transition teams, which train Iraqi and Afghan forces. Several support force occupations such as engineering, civil affairs, transportation, and military police have also been in high demand.

Since September 11, 2001, DOD has made a number of adjustments to its personnel policies, including those related to length of service obligations, length of deployments, frequency of reserve component mobilizations, and the use of volunteers. While these measures have helped to increase the availability of personnel in the short term, the long-term impacts of many of these adjustments are uncertain. For example, the Army has successively increased the length of deployments in Iraq—from 6 to 12 and eventually to 15 months. Also, the services have, at various times, used “stop-loss” policies, which prevent personnel from leaving the service, and DOD has made changes to reserve component mobilization policies. In the latter case, DOD modified its policy, which had previously limited the cumulative amount of time that reserve component servicemembers could be involuntarily called to active duty for the Global War on Terrorism. Under DOD's new policy, which went into effect in January 2007, there are no cumulative limits on these involuntary mobilizations, but DOD has set goals to limit the mobilizations to 12 months and to have 5 years between these Global War on Terrorism involuntary mobilizations. DOD has also stated that in the short term it will not be able to meet its goal for 5 years between rotations. By making these adjustments, DOD has made additional personnel available for deployment, thus helping to meet short-term mission requirements in Iraq and Afghanistan. However, it is unclear whether longer deployments or more frequent involuntary mobilizations or other adjustments will affect recruiting and retention.

In the near term, the Army and Marine Corps have taken a number of steps to meet operational requirements and mitigate the stress on their forces. Such actions include deploying units from branches with lower operational tempos in place of units from branches with higher operational tempos after conducting some additional training for the units. For example, after retraining units, the Army has used active component

field artillery units for convoy escort, security, and gun truck missions and has used active and reserve component quartermaster units to provide long-haul bulk fuel support in Iraq.

Equipment Shortages Affect Availability of Items for Nondeployed Units

As we have reported, ongoing military operations in Iraq and Afghanistan combined with harsh combat and environmental conditions are inflicting heavy wear and tear on equipment items that, in some cases, are more than 20 years old. In response to the sustained operations in Iraq and Afghanistan, the Army and Marine Corps developed programs to reset (repair or replace) equipment to return damaged equipment to combat-ready status for current and future operations. We also have reported that while the Army and Marine Corps continue to meet mission requirements and report high readiness rates for deployed units, nondeployed units have reported a decrease in reported readiness rates, in part due to equipment shortages. Some units preparing for deployment have reported shortages of equipment on hand as well as specific equipment item shortfalls that affect their ability to carry out their missions. The Army Chief of Staff has testified that the Army has had to take equipment from nondeployed units in order to provide it to deployed units. The Marine Corps has also made trade-offs between preparing units to deploy to Iraq and Afghanistan and other unit training. In addition, the Army National Guard and Army Reserve have transferred large quantities of equipment to deploying units, which has contributed to equipment shortages in nondeployed units. As a result, state officials have expressed concerns about their National Guard's equipment that would be used for domestic requirements.

Services Have Adjusted Training to Focus Primarily on Counterinsurgency Tasks

To meet current mission requirements, the services, especially the Army and the Marine Corps, have focused unit training on counterinsurgency tasks. Given limitations in training time, and the current focus on preparing for upcoming, scheduled deployments, nondeployed troops are spending less training time on their core tasks than in the past. Our analysis of Army unit training plans and discussions with training officials indicate that unit commanders' training plans have focused solely on preparing for their unit's assigned mission instead of moving progressively from preparing for core missions to training for full-spectrum operations. Since February 2004, all combat training rotations conducted at the Army's National Training Center have been mission rehearsal exercises to prepare units for deployments, primarily to Iraq and Afghanistan. As a result, units are not necessarily developing and maintaining the skills for a fuller range of missions. For instance, units do not receive full-spectrum operations training such as combined arms maneuver and high-intensity combat. In

addition, the Army has changed the location of some training. According to Army officials, the National Training Center has provided home station mission rehearsal exercises at three Army installations, but these exercises were less robust and on a smaller scale than those conducted at the center. Army leaders have noted that the limited time between deployments has prevented their units from completing the full-spectrum training that the units were designed and organized to perform. The Chief of Staff of the Army recently stated that units need 18 months between deployments to be able to conduct their entire full-spectrum mission training. While the Chairman of the Joint Chiefs of Staff expressed concerns about the impact of the current operational tempo on full-spectrum training during his testimony last week, he also noted that the military is capable of responding to all threats to our vital national interests.

Offloading of Prepositioned Equipment Could Affect DOD's Ability to Meet Other Demands

The Army's decision to remove equipment from its prepositioned ships impacts its ability to fill equipment shortages in nondeployed units and could impact DOD's ability to meet other demands if new demands were to cause requirements to rise above current levels to new peaks. The Army's decision to accelerate the creation of two additional brigade combat teams by removing equipment from prepositioned ships in December 2006 helps the Army to move toward its deployment rotation goals. However, the lack of prepositioned equipment means that deploying units will either have to deploy with their own equipment or wait for other equipment to be assembled and transported to their deployment location. Either of these options could slow deployment response times.

The most recent DOD end-to-end mobility analysis found that the mobility system could continue to sustain the current (post 9/11) tempo of operations with acceptable risk. The study found that when fully mobilized and augmented by the Civil Reserve Air Fleet and the Voluntary Intermodal Sealift Agreement ships, the United States has sufficient capability to support national objectives during a peak demand period with acceptable risk. The study highlighted the need for DOD to continue actions to reset and reconstitute prepositioned assets. However, some prepositioned stocks have been depleted. Since portions of the Army's prepositioned equipment are no longer available, transportation requirements may increase and risk levels may increase, which could increase timelines for delivery of personnel and equipment.

DOD Is Also Relying on Other Services to Help Accomplish Some Missions Typically Handled by Ground Forces

Shortly after September 11, 2001, the Army's pace of operations was relatively low, and it was generally able to meet combatant commander requirements with its cadre of active duty and reserve component personnel. For example, in the aftermath of September 11, 2001, the President, through the Secretary of Defense and the state governors, used Army National Guard forces to fill security roles both at Air Force bases and domestic civilian airports. Today, with the Army no longer able to meet the deployment rotation goals for its active and National Guard and Reserve forces due to the pace of overseas operations, DOD is increasingly turning to the Navy and the Air Force to help meet requirements for skills typically performed by ground forces.

The Navy and Air Force are filling many of these traditional Army ground force requirements with personnel who possess similar skills to the Army personnel they are replacing. According to Air Force and Navy testimony before this committee in July 2007, some examples of the personnel with similar skills included engineers, security forces, chaplains, and public affairs, intelligence, medical, communications, logistics, and explosive ordnance disposal personnel. The Navy and Air Force are also contributing personnel to meet emerging requirements for transition teams to train Iraqi and Afghan forces. Regardless of whether they are filling new requirements or just operating in a different environment with familiar sets of skills, Navy and Air Force personnel undergo additional training prior to deploying for these nontraditional assignments. While we have not verified the numbers, according to the July 2007 testimonies, the Air Force and Navy deployments in support of nontraditional missions had grown significantly since 2004 and at the time of the testimonies the Air Force reported that it had approximately 6,000 personnel filling nontraditional positions in the Central Command area of responsibility, while the Navy reported that it had over 10,000 augmentees making significant contributions to the Global War on Terror. Finally, the Air Force testimony noted that many personnel who deployed for these nontraditional missions came from stressed career fields—security force, transportation, air traffic control, civil engineering, and explosive ordnance disposal—that were not meeting DOD's active force goal of limiting deployments to 1 in every 3 years.

DOD's Reliance on Contractors Has Reached Unprecedented Levels

The U.S. military has long used contractors to provide supplies and services to deployed U.S. forces; however, the scale of contractor support in Iraq is far greater than in previous military operations, such as Operation Desert Shield/Desert Storm and in the Balkans. Moreover, DOD's reliance on contractors continues to grow. In December 2006, the Army estimated that almost 60,000 contractor employees supported

ongoing military operations in Southwest Asia. In October 2007, DOD estimated the number of DOD contractors in Iraq to be about 129,000. By way of contrast, an estimated 9,200 contractor personnel supported military operations in the 1991 Gulf War. In Iraq, contractors provide deployed U.S. forces with an almost endless array of services and support, including communication services; interpreters who accompany military patrols; base operations support (e.g., food and housing); maintenance services for both weapon systems and tactical and nontactical vehicles; intelligence analysis; warehouse and supply operations; and security services to protect installations, convoys, and DOD personnel. Factors that have contributed to this increase include reductions in the size of the military, an increase in the number of operations and missions undertaken, a lack of organic military capabilities, and DOD's use of increasingly sophisticated weapons systems.

DOD has long recognized that contractors are necessary to successfully meet current and future requirements. In 1990, DOD issued guidance that requires DOD components to determine which contracts provide essential services and gives commanders three options if they cannot obtain reasonable assurance of continuation of essential services by a contractor: they can obtain military, DOD civilian, or host-nation personnel to perform services; they can prepare a contingency plan for obtaining essential services; or they can accept the risk attendant with a disruption of services during a crisis situation.¹ While our 2003 report found that DOD has not taken steps to implement the 1990 guidance, DOD officials informed us that DOD has awarded a contract to deploy planners to the combatant commands. According to the DOD officials, the planners will focus on the contractor support portions of the operational plans, including requirements for contractor services. In addition, the planners will streamline the process through which the combatant commander can request requirements definition, contingency contracting, or program management support. DOD officials report that, as of February 7, 2008, eight planners have been deployed. Without firm contingency plans in place or a clear understanding of the potential consequences of not having the essential service available, the risks associated with meeting future requirements increase.

¹ Department of Defense Instruction 3020.37, Continuation of Essential DOD Contractor Services During Crises, Nov. 6, 1990 (Change 1, Jan. 26, 1996).

Actions Based on Transparency, Sound Plans, and Measurable Outcomes Are Needed to Guide DOD's Efforts to Rebuild Readiness of Ground Forces

Given the change in the security environment since September 11, 2001, and related increases in demands on our military forces as well as the ongoing high level of commitment to ongoing operations, rebuilding readiness of U.S. ground forces is a long-term prospect. In addition, the department faces competing demands for resources given other broad-based initiatives to grow, modernize, and transform its forces, and therefore will need to carefully validate needs and assess trade-offs. While there are no quick fixes to these issues, we believe the department has measures it can take that will advance progress in both the short and long terms. Over the past several years, we have reported and testified on a range of issues related to military readiness and made multiple recommendations aimed at enhancing DOD's ability to manage and improve military readiness.

To Rebuild Readiness While Modernizing and Transforming Force Capabilities, DOD's Plans Require a Substantial Commitment of Resources

DOD faces significant challenges in rebuilding readiness while it remains engaged in ongoing operations. At the same time, it has undertaken initiatives to increase the size of U.S. ground forces, and modernize and transform force capabilities, particularly in the Army. Although the cost to rebuild the U.S. ground forces is uncertain, it will likely require billions of dollars and take years to complete. For example, once operations end, the Army has estimated it will take \$12 billion to \$13 billion a year for at least 2 years to repair, replace, and rebuild its equipment used for operations in Iraq. Similarly, the Marine Corps has estimated it will cost about \$2 billion to \$3 billion to reset its equipment. Furthermore, current plans to grow, modernize, and transform the force will require hundreds of billions of dollars for the foreseeable future. Although the Army estimated in 2004 that it could largely equip and staff modular units by spending \$52.5 billion through fiscal year 2011, the Army now believes it will require additional funding through fiscal year 2017 to fully equip its units. In addition, we found that the Army's \$70 billion funding plan to increase its end strength by over 74,200 lacks transparency and may be understated because some costs were excluded and some factors are still evolving that could potentially affect this funding plan. We have also reported that the costs of the Army's Future Combat System are likely to grow. While the Army has only slightly changed its cost estimate of \$160.7 billion since last year, independent cost estimates put costs at between \$203 billion and nearly \$234 billion. While our testimony today is focused on the readiness of the Army and Marine Corps, we recognize that DOD is continuing to deal with determining the requirements, size, and readiness of the Air Force and Navy and that Congress is engaged with that debate. The Air Force for example, is dealing with balancing the requirements and funding for strategic and intratheater lift as well as its needs for aerial refueling

aircraft, tactical aircraft, and a new bomber fleet. The Navy is also reviewing its requirements and plans to modernize its fleet. Meeting these requirements will involve both new acquisitions as well upgrades to existing fleets, which will cost billions of dollars.

Recommended Actions to Improve Strategic Decision Making and Address Specific Readiness Concerns

A common theme in our work has been the need for DOD to take a more strategic approach to decision making that promotes transparency and ensures that programs and investments are based on sound plans with measurable goals, validated requirements, prioritized resource needs, and performance measures to gauge progress against the established goals. Due to the magnitude of current operational commitments and the readiness concerns related to the ground forces, we believe decision makers need to take a strategic approach in assessing current conditions and determining how best to rebuild the readiness of the Army and Marine Corps. As a result, in July 2007, we recommended that DOD develop near-term plans for improving the readiness of its active and reserve component ground forces, and specify the number of ground force units they plan to maintain at specific levels of readiness as well as the time frames for achieving these goals. Because significant resources will be needed to provide the personnel, equipment, and training necessary to restore and maintain readiness, and because DOD is competing for resources in an increasingly fiscally constrained environment, we also recommended that the plans contain specific investment priorities, prioritized actions that the services believe are needed to achieve the plans' readiness goals and time frames, and measures to gauge progress in improving force readiness. Such plans would be helpful to guide decision makers in considering difficult trade-offs when determining funding needs and making resource decisions.

We have also recommended that DOD and the services take specific actions in a number of areas I have discussed today. These recommendations are contained in the products listed at the end of my statement. In summary

- The services need to collect and maintain comprehensive data on the various strategies they use to meet personnel and unit requirements for ongoing operations and determine the impact of these strategies on the nondeployed force.
- The Army needs to develop planning and funding estimates for staffing and equipping the modular force as well as assess its modular force.
- The Army needs to provide to Congress transparent information on its plan to increase the force size, including data on the force structure to be

created by this initiative, implementation timelines, cost estimates, and a funding plan.

- DOD needs to identify mission essential services provided by contractors and include them in planning, and also develop doctrine to help the services manage contractors supporting deployed forces.
- The Army needs to revise and adjust its training strategy to include a plan to support full-spectrum training during extended operations, and clarify the capacity needed to support the modular force.
- DOD must develop a strategy and plans for managing near-term risks and management challenges related to its prepositioning programs.
- DOD must improve its methodology for analyzing mobility capabilities requirements to include development of models and data, an explanation of the impact of limitations on study results, and metrics in determining capabilities.

DOD agreed with some recommendations, but has yet to fully implement them. For others, particularly when we recommended that DOD develop more robust plans linked to resources, DOD believed its current efforts were sufficient. We continue to believe such plans are needed.

Given the challenges facing the department, we believe these actions will enhance DOD's ability to validate requirements, develop plans and funding needs, identify investment priorities and trade-offs, and ultimately to embark on a sustainable path to rebuild readiness and move forward with plans to modernize and transform force capabilities. In the absence of a strategic approach based on sound plans and measurable outcomes, neither Congress nor the department can be assured that it will have the information it needs to make informed investment decisions and to ensure that it is maximizing the use of taxpayer dollars in both the short and long terms.

Mr. Chairman and Members of the Committee, this concludes my statement. I would be pleased to respond to any question you or other Members of the Committee or Subcommittee may have.

For questions regarding this testimony, please call Sharon L. Pickup at (202) 512-9619 or pickups@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report.

Related GAO Products

Military Operations: Implementation of Existing Guidance and Other Actions Needed to Improve DOD's Oversight and Management of Contractors in Future Operations. GAO-08-436T. Washington, D.C.: January 24, 2008.

Force Structure: Need for Greater Transparency for the Army's Grow the Force Initiative Funding Plan. GAO-08-354R. Washington, D.C.: January 18, 2008.

Force Structure: Better Management Controls Are Needed to Oversee the Army's Modular Force and Expansion Initiatives and Improve Accountability for Results. GAO-08-145. Washington, D.C.: December 14, 2007.

Defense Logistics: Army and Marine Corps Cannot Be Assured That Equipment Reset Strategies Will Sustain Equipment Availability While Meeting Ongoing Operational Requirements. [GAO-07-814](#). Washington, D.C.: September 19, 2007.

Military Training: Actions Needed to More Fully Develop the Army's Strategy for Training Modular Brigades and Address Implementation Challenges. GAO-07-936. Washington, D.C.: August 6, 2007.

Military Personnel: DOD Lacks Reliable Personnel Tempo Data and Needs Quality Controls to Improve Data Accuracy. GAO-07-780. Washington, D.C.: July 17, 2007.

Defense Acquisitions: Key Decisions to Be Made on Future Combat System. GAO-07-376. Washington, D.C.: March 15, 2007.

Defense Logistics: Improved Oversight and Increased Coordination Needed to Ensure Viability of the Army's Prepositioning Strategy. [GAO-07-144](#). Washington, D.C.: February 15, 2007.

Defense Logistics: Preliminary Observations on the Army's Implementation of Its Equipment Reset Strategies. [GAO-07-439T](#). Washington, D.C.: January 31, 2007.

Reserve Forces: Actions Needed to Identify National Guard Domestic Equipment Requirements and Readiness. [GAO-07-60](#). Washington, D.C.: January 26, 2007.

Securing, Stabilizing, and Rebuilding Iraq: Key Issues for Congressional Oversight. [GAO-07-308SP](#). Washington, D.C.: January 9, 2007.

Defense Transportation: Study Limitations Raise Questions about the Adequacy and Completeness of the Mobility Capabilities Study and Report. GAO-06-938. Washington, D.C.: September 20, 2006.

Defense Logistics: Preliminary Observations on Equipment Reset Challenges and Issues for the Army and Marine Corps. [GAO-06-604T](#). Washington, D.C.: March 30, 2006.

Defense Logistics: Better Management and Oversight of Prepositioning Programs Needed to Reduce Risk and Improve Future Programs. [GAO-05-427](#). Washington, D.C.: September 6, 2005.

Military Personnel: DOD Needs to Address Long-term Reserve Force Availability and Related Mobilization and Demobilization Issues. GAO-04-1031. Washington, D.C.: September 15, 2004.

Military Operations: Contractors Provide Vital Services to Deployed Forces but Are Not Adequately Addressed in DOD's Plans. GAO-03-695. Washington, D.C.: June 24, 2003.

Military Personnel: DOD Actions Needed to Improve the Efficiency of Mobilizations for Reserve Forces. GAO-03-921. Washington, D.C.: August 21, 2003.

This is a work of the U.S. government and is not subject to copyright protection in the United States. It may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.

GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's Web site (www.gao.gov). Each weekday, GAO posts newly released reports, testimony, and correspondence on its Web site. To have GAO e-mail you a list of newly posted products every afternoon, go to www.gao.gov and select "E-mail Updates."

Order by Mail or Phone

The first copy of each printed report is free. Additional copies are \$2 each. A check or money order should be made out to the Superintendent of Documents. GAO also accepts VISA and Mastercard. Orders for 100 or more copies mailed to a single address are discounted 25 percent. Orders should be sent to:

U.S. Government Accountability Office
441 G Street NW, Room LM
Washington, DC 20548

To order by Phone: Voice: (202) 512-6000
TDD: (202) 512-2537
Fax: (202) 512-6061

To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Web site: www.gao.gov/fraudnet/fraudnet.htm

E-mail: fraudnet@gao.gov

Automated answering system: (800) 424-5454 or (202) 512-7470

Congressional Relations

Ralph Dawn, Managing Director, dawnr@gao.gov, (202) 512-4400
U.S. Government Accountability Office, 441 G Street NW, Room 7125
Washington, DC 20548

Public Affairs

Chuck Young, Managing Director, youngc1@gao.gov, (202) 512-4800
U.S. Government Accountability Office, 441 G Street NW, Room 7149
Washington, DC 20548